

By Mr. Card of Holbrook, petition of Andrew H. Card, Jr., Andrew S. Natsios and Edward P. Kirby relative to increasing the penalties for certain fraudulent practices in the medical assistance program. Health Care.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-One.

AN ACT INCREASING THE PENALTIES FOR CERTAIN FRAUDULENT PRACTICES IN THE MEDICAL ASSISTANCE PROGRAM.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 5B of Chapter 18 of the General Laws, as
2 most recently amended by Chapter 475 of the Acts of 1973, is
3 hereby further amended by striking said section and inserting in
4 place thereof the following section: —

5 *Section 5B.* Any person or institution which knowingly makes
6 a false representation to the department of public welfare or its
7 agents, for the purpose of causing any person, including the person
8 making such representations, to be supported in whole or in part
9 by the commonwealth, or for the purpose of procuring a payment
10 under any assistance program administered by the department,
11 shall be punished by a fine of not less than \$1000 nor more than
12 \$15,000 or by imprisonment for not more than one year.

13 Nothing in this section shall be construed as preventing the
14 institution of criminal proceedings for the violation of any other
15 law of commonwealth. Amended by St. 1973, c. 475.

1 SECTION 2. Section 5D of said Chapter 18, as most recently
2 amended by C. 885 of the Acts of 1969, is hereby further amended
3 by striking said section and inserting in place thereof the following
4 section: —

5 *Section 5D.* Any vendor procuring a payment under any
6 assistance program administered by the department who violates
7 any of the provisions of section five B shall be ineligible to

8 participate further in the program. However, a vendor shall not be
9 considered in violation of section five B upon submission of proof,
10 to the satisfaction of the commissioner, that such violation was due
11 solely to a clerical or administrative error.

1 SECTION 3. Section 5E of said Chapter 18, as most recently
2 amended by Chapter 885 of the Acts of 1969, is hereby further
3 amended by striking said section and inserting in place thereof the
4 following new section: —

5 *Section 5E.* Any recipient or vendor who receives payment
6 under any assistance program administered by the department, to
7 which he is not entitled, shall return such payment to the
8 commonwealth by paying the same to the state treasurer plus
9 interest at the rate of 18% per annum on such payment, computed
10 from the date of receipt of said payment to the date of return, as
11 soon as demand is made upon him.

1 SECTION 4. Section 21 of Chapter 118E of the General Laws,
2 as most recently amended by Chapter 800 of the Acts of 1969, is
3 hereby further amended by striking said section and inserting in
4 place thereof the following section: —

5 *Section 21.* Any provider who makes false representations to
6 the department or its agents for the purpose of procuring a
7 payment under the provisions of this chapter or who obtains such a
8 payment by fraudulent means shall be punished by a fine of not less
9 than one thousand dollars nor more than fifteen thousand dollars
10 or by imprisonment for not more than one year. Said provider who
11 receives payment under this section shall return such payment to
12 the Commonwealth plus interest at the rate of 18% per annum,
13 computed from the date of receipt of said payment to the date of
14 return, as soon as demand is made upon him by the state treasurer.

1 SECTION 5. This Act shall take effect upon its passage.